

HOUSING AND RESIDENTIAL PATTERNS

The 2000 Census provided a great deal of information on the physical characteristics of Bellevue's housing stock, housing costs and value, and the changing residential patterns of Bellevue's residents. Specific topics to be addressed in this chapter of the report include the increasing number and changing composition of renter households in Bellevue, the range of housing types and structural characteristics of Bellevue's housing stock, and the mobility and occupancy periods of the city's residents. Lastly, the issue of housing affordability will be discussed.

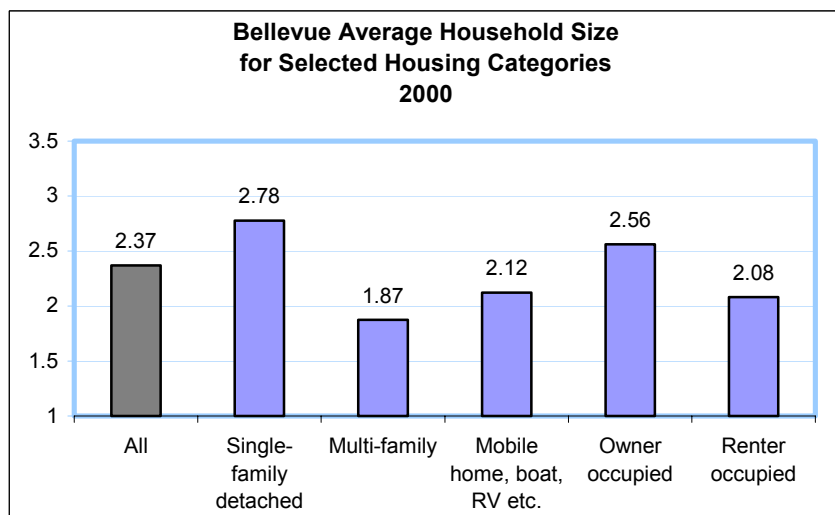
Residential Patterns

Data on residential patterns provides insight into where people live, how long they have lived there, and what type of arrangements they are living under. This part of the report will specifically deal with household characteristics relating to tenure, regional and national residential mobility, and vacancy.

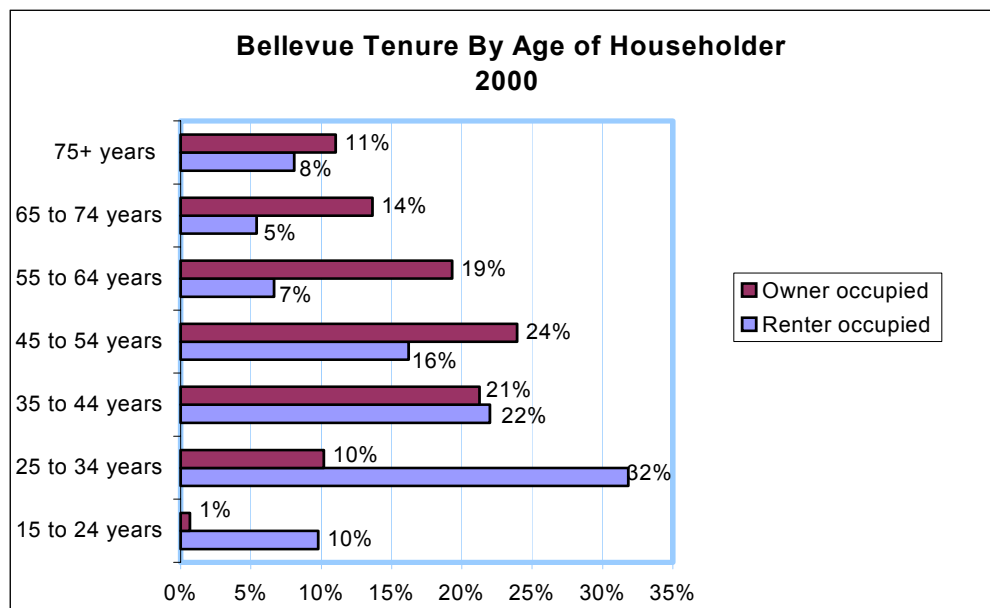
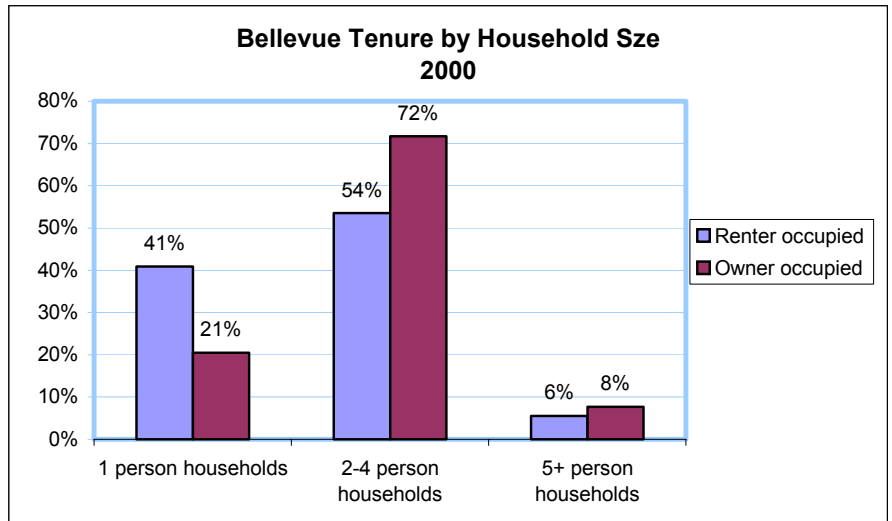
Tenure for Bellevue

Housing tenure measures whether residents of a household own their own house or condominium, or rent their dwelling unit. This factor has a significant impact on many other demographic characteristics.

In 2000, 28,189 out of 45,836 (61 percent) of all occupied housing units (households) were owner occupied. In comparison, 66 percent of Bellevue residents lived in owner-occupied housing units. This difference can be explained by the fact that average household sizes vary based on the type of housing. Since owner-occupied units are much more likely to be single-family detached, owner-occupied households have a larger average household size. However, average household sizes for renters and owners came closer together during the 1990s. The average household size for renter occupied households rose by 0.02 persons, while that of owner occupied households dropped by 0.11.



As noted in the two adjacent charts, the demographics of renter occupied households in Bellevue are very different from those of owner occupied households. Residents of renter occupied households tend to be both younger and more likely to live in a one-person household. It is interesting to note, however, that 21 percent of all owner-occupied housing units in Bellevue consist of 1-person households.



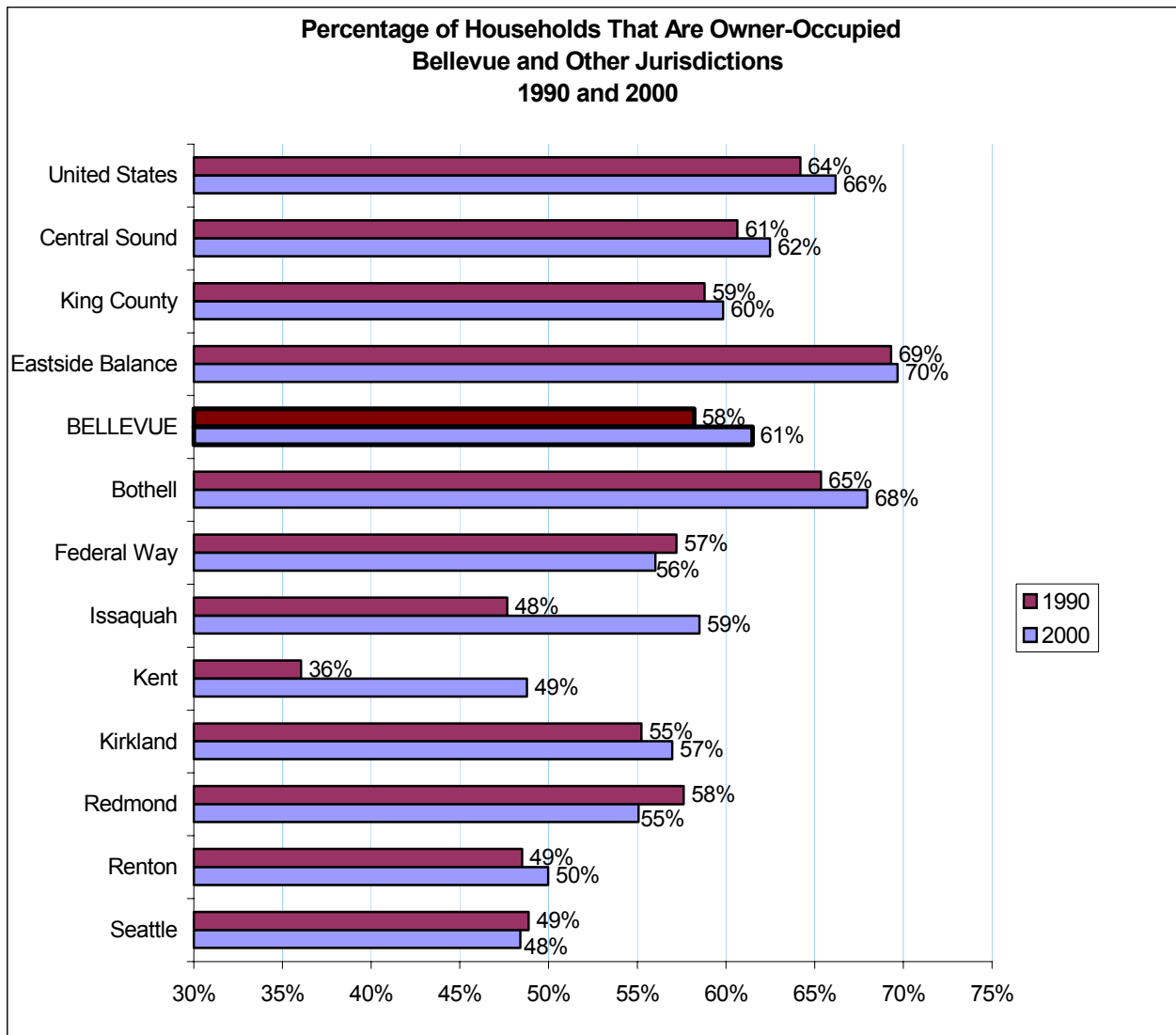
The following table shows the composition of Bellevue owner and renter occupied households in more detail.

Bellevue Units in Structure by Tenure 2000						
Units in Structure	Citywide Total		Owner-Occupied		Renter-Occupied	
	Total	Percent	Total	Percent	Total	Percent
Total	48,303	100	28,012	100	17,673	100
1-unit, detached	25,846	53.5	22,603	80.7	2,666	15.1
1-unit-attached	2,657	5.5	2,104	7.5	472	2.7
2 units	476	1.0	180	0.6	272	1.5
3 or 4 units	2,273	4.7	563	2.0	1,581	8.9
5 to 9 units	4,541	9.4	2,496*	8.9*	3,378	19.1
10 to 19 units	3,506	7.3	NA	NA	2,700	15.3
20 or more units	8,938	18.5	NA	NA	6,606	35.3
*Represents total in structures with 5 or more units.						

In 2000 the majority of Bellevue's renter occupied households (70 percent) lived in apartment buildings of five or more units, while 15 percent lived in detached single family houses. In comparison, 81 percent of Bellevue's owner occupied households lived in single-family detached houses. Only 10.6 percent of Bellevue's single-family detached houses were rented, a decrease from 1990 when 11.3 percent of houses were rented.

Tenure - Regional and National Comparisons

As shown on the chart on the following page, 61 percent of all Bellevue households owned their own home in 2000. This was on par with the regional average of 62 percent, but higher than many other cities in the region. Despite considerable multifamily construction in the 1990s, homeownership rates continued to rise nationally and regionally, as well as in Bellevue, as indicated on the chart. There are two main components to this trend. One of them is the fact that many more multifamily units were built as owner occupied condominiums (just over half of all multifamily units added in Bellevue in the 1990s were owner occupied). Secondly, most of Bellevue's annexations in the 1990s involved existing and developing single family areas south of I-90, which were overwhelmingly owner occupied.



Nearly all jurisdictions saw an increase in the proportion of their population who owned their own home. The number of Bellevue residents that owned their own home increased by 30 percent between 1990 and 2000 (as compared with overall population growth of 26 percent), while the number of residents that rented increased by only 19 percent. As noted above, the type of housing stock annexed into the city during the 1990s impacted this. The rest of the Eastside saw the population in renter and owner occupied households increase at almost exactly the same rate of 15 percent. One notable exception to increasing homeownership rates is Seattle, in which 88 percent of its new multifamily units were renter occupied, and the percent increase in renter occupied units outpaced that of owner occupied units. In Bellevue, 15 percent of rental units were single-family detached houses, compared to 20 percent for the rest of the Eastside, 18 percent for Seattle, and 24 percent for the nation as a whole.

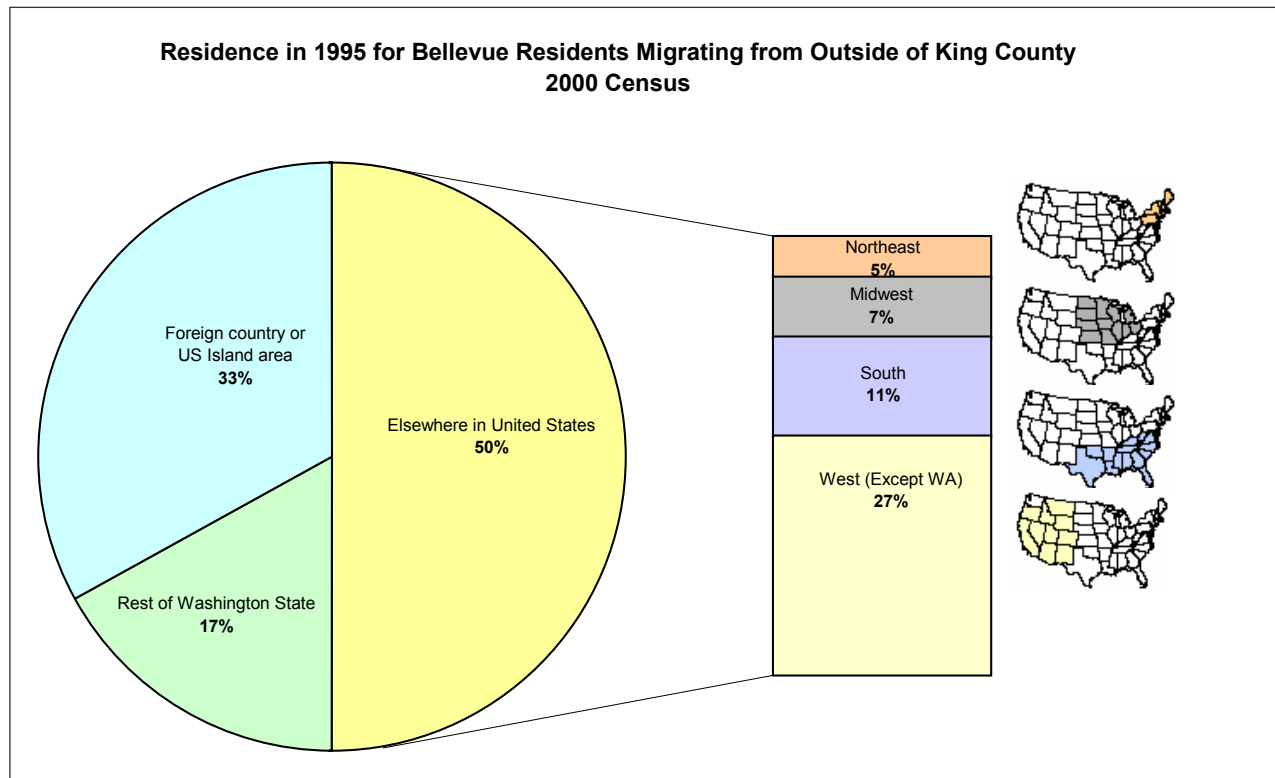
Migration and Mobility for Bellevue

Migration and mobility measures how long a resident has lived in their dwelling unit, and from where people moved. The following table summarizes information for Bellevue residents (older than the age of 5) in 2000 regarding migration and mobility patterns.

Residence in 1995 and 2000 for Bellevue Residents 2000 Census		
Population Group	Total	Percent
Total population older than age 5	103,087	100
Same house in 1995	48,371	46.9
Different house in 1995:	54,717	53.1
-In United States in 1995:	46,062	44.7
-Same city:	12,721	12.6
-Not same city:	33,341	32.1
-Same County:	15,716	15.0
-Different County:	17,625	17.1
-Same State:	4,474	4.3
-Different State:	13,151	12.8
-Elsewhere* in 1995:	8,639	8.4
<i>*Elsewhere refers Puerto Rico, Guam, or a foreign country.</i>		

As noted, over half (53 percent) of the Bellevue population had moved in the five years preceding the 2000 Census. This is actually a smaller percentage than those moving within five years of the 1990 Census, likely due to different characteristics in the short-term housing market between the late 1980s and the late 1990s. A good portion of those moving into Bellevue between 1995 and 2000 were moving into new houses. Approximately 10 percent, or 4,875 of Bellevue's 48,303 housing units, were built during that period.

In addition, 25 percent of the 2000 population residing in the city of Bellevue, or 26,300 people, did not live in King County in 1995. The following figure illustrates from where these in-migrants arrived.



The past decade has brought significant changes in the origin of those who moved to the city of Bellevue from outside of King County. Those who moved to Bellevue between 1985 and 1990 were much less likely to have come from a foreign country than those who moved to Bellevue between 1995 and 2000. Of those who moved to Bellevue from out of state, more came from the eastern half of the country in the five years preceding the 2000 census (46 percent) than in the late 1980s (36 percent). This is most likely the result of a decreasing number of in-migrants from California.

Migration and Mobility - Regional and National Comparisons

The adjacent table summarizes migration and mobility patterns for Bellevue residents as compared with the nation and region as a whole, as well as selected other jurisdictions.

Migration and Mobility of Residents Bellevue, the Nation, and the Region 1990 Census and 2000 Census			
	Same House in 1985-1990 1990 Census	Same House in 1995-2000 2000 Census	Change in Percent
United States	53%	54%	1%
Central Puget Sound	44%	47%	3%
King County	45%	48%	3%
Eastside Balance	45%	50%	5%
BELLEVUE	44%	47%	3%
Bothell	43%	52%	9%
Kent	32%	37%	5%
Kirkland	41%	41%	0%
Redmond	37%	40%	3%
Renton	43%	42%	-2%
Sammamish	N/A (City not yet incorporated in 1990.)		N/A
Seattle	44%	44%	0%

In 2000, as indicated in the table, 54 percent of the population nationwide were living in the same house as they did five years prior. Of the 46 percent that changed residences in the period 1995-2000, only 26 percent remained in the same city and just over half (55 percent) remained in the same county. Locally, 47 percent of Bellevue residents have remained in the same residence as 1995. There was more housing turnover in Bellevue than the United States as a whole, and a similar amount as in the region and county. However, there was less housing turnover in Bellevue than in some neighboring cities such as Kirkland and Redmond.

Nearly across the board, residential mobility, while still high, decreased in the last decade. Bellevue, Redmond, King County, and the Puget Sound region as a whole all had 3 percent increases in the population living in the same house as five years preceding the censuses. The cities of Seattle and Kirkland had about the same rate of residential mobility in the late 1980s and 1990s

Bellevue's rate of 8.4 percent of the total population having lived outside of the United States in 1995 was twice the 4 percent rate for the rest of the Eastside. King County and the region as a whole also had around 4 percent of their current residents living in another country in 1995. Redmond was one of the only other cities with this many recent foreign immigrants, with 9 percent of their population in this category. See the Race, Ethnicity, and Nationality chapter of the report for more information on immigration trends.

Occupancy

In 2000, 2,560 units, or 5.3 percent of all units were vacant in Bellevue. This is slightly higher than the regional residential vacancy rate of 4.8 percent (which is itself much lower than the national residential vacancy rate of 9.0 percent), but higher than most other comparison cities. Issaquah and Redmond are two exceptions, which had vacancy rates at 6.8 percent and 5.7 percent, respectively. About twice as many vacant units were for rent than were for sale, largely due to higher turnover in the rental market.

KEY FINDINGS

Tenure and Mobility

- Approximately 61 percent of Bellevue households in 2000 were owner-occupied. This represents an increase since 1990, and equals the percentage of King County households that are owner-occupied.
- Less than half of Bellevue residents in 2000 lived in the same residence as they did in 1995. Of those who moved to Bellevue between 1995 and 2000, over 25,000 moved from outside of King County, and over 8,500 moved from outside of the continental United States.

Structural Characteristics

Bellevue's housing stock represents a diverse mix of types and ages. The city has many new houses, as well as some as old as the turn of the century. The city also includes a mix of housing types from single-family detached houses to 100-plus unit condominium towers downtown. This section will address the housing stock in Bellevue as compared to other cities and the region and how these characteristics have changed since 1990.

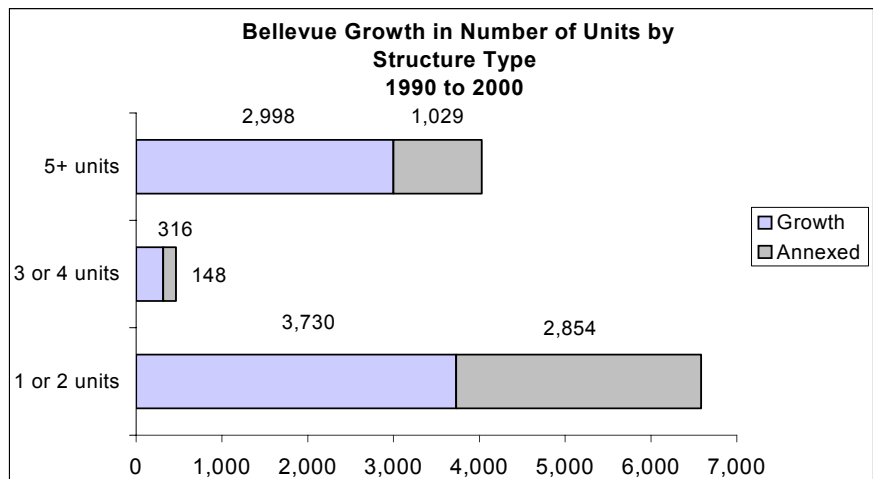
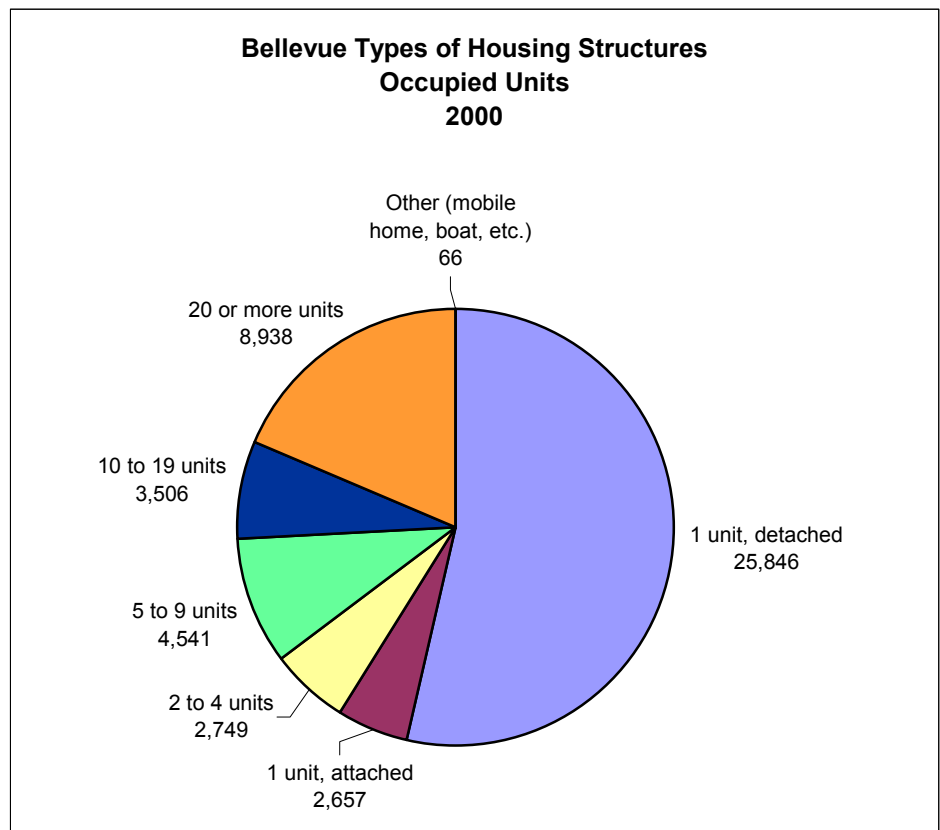
Type of Structures in Bellevue

Having a range of housing types is important in any community, but is particularly important in Bellevue given the changing characteristics of households (see Households chapter). As shown in the adjacent graphics, Bellevue is continuing its trend of increasing the number of housing options for its residents.

As indicated in the chart below, the types of housing that experienced the greatest amount of growth in real terms were 1 and 2 unit structures (single-family detached units, townhouses, and duplex housing).

However, a large percent of this housing, particularly single-family detached housing, was added through annexations that occurred between 1990 and 2000.

In terms of the greatest rate of growth in the last decade, the types of housing that grew fastest were single-unit attached (townhouses), and 20-or-more-unit multifamily structures. The number of



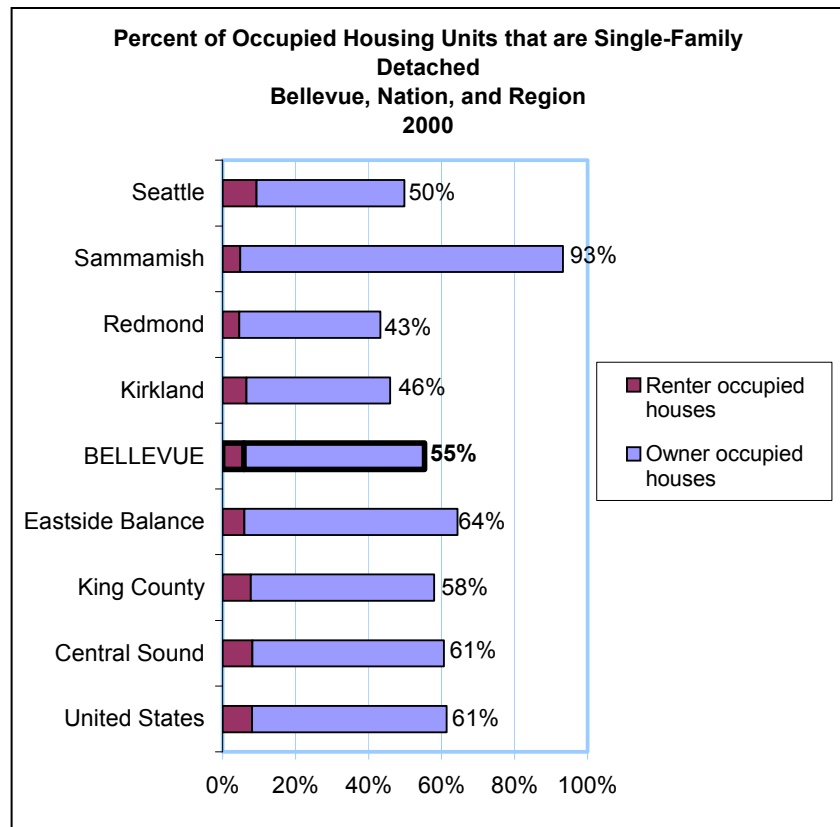
townhouses in Bellevue jumped by 73 percent, from 1,473 in 1990 to 2,657 in 2000. The number of units in large multifamily structures increased by 70 percent during the same period, from 5,245 in 1990 to 8,938 in 2000.

Type and Age of Structures - Regional and National Comparisons

The diversifying of Bellevue's housing stock was also true of the region between 1990 and 2000. Region-wide, the most significant increases in housing types have been townhouses and other single-family attached structures, which grew at a rate three times that of all housing units. Large (20+ unit) multifamily structures also grew twice as fast as total housing unit growth.

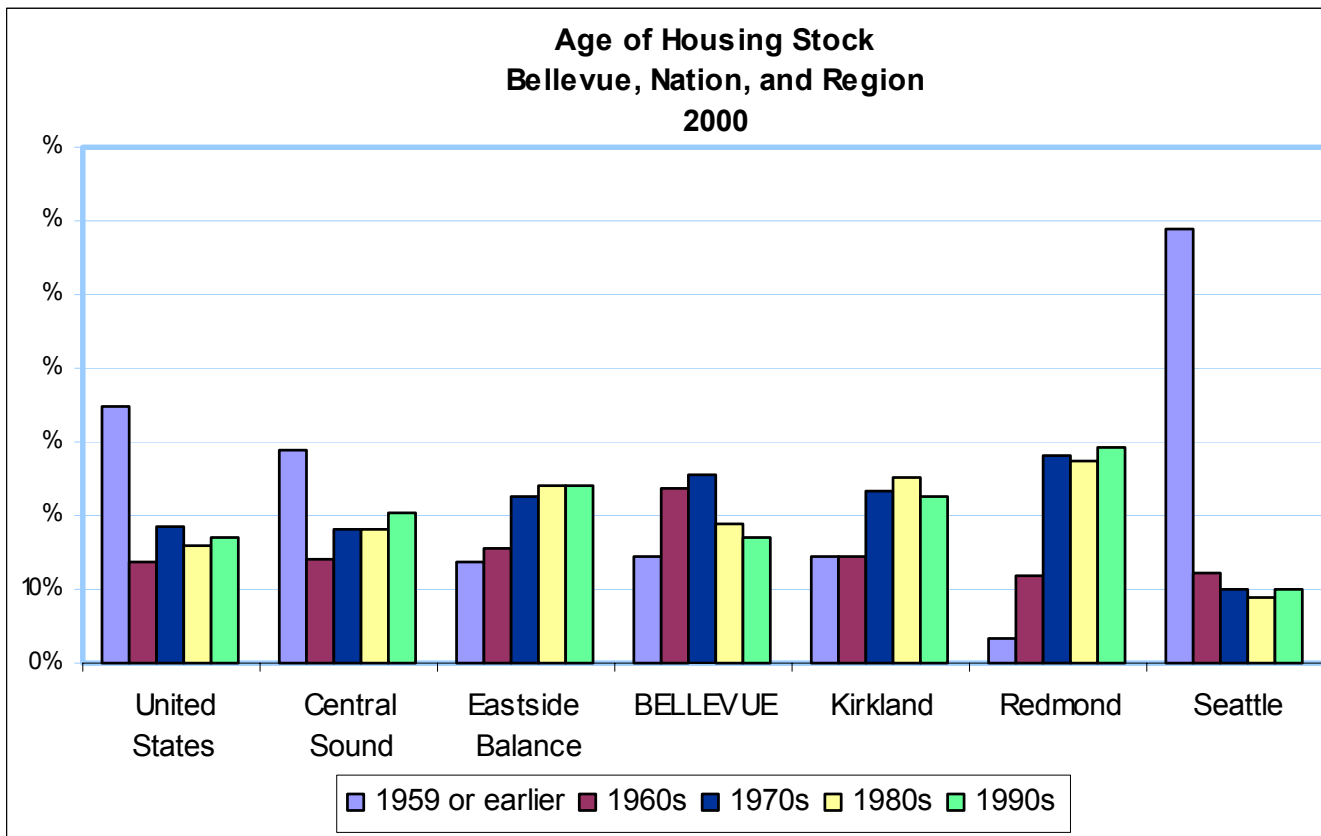
As shown on the adjacent chart, the majority (55 percent) of Bellevue's occupied housing units were in the form of single-family detached houses. This is less than the percent single-family for the nation and region, which both stood at 61 percent, as well as King County (58 percent) and the balance of the Eastside (64 percent). However, all of Bellevue's neighbors¹ with the exception of the newer bedroom communities of Sammamish and Newcastle (both with over 80% SF) have less than half of their units as single-family houses.

The proportion of housing units that are single-family detached houses has decreased since 1990 in almost all Puget Sound cities not affected by major annexations, while rising nationwide. Bellevue's stock of detached houses grew 26 percent between 1990 and 2000, which was a slower rate of growth than housing as a whole (which grew at 29 percent). As mentioned previously, a large percentage of the gain in single-family detached housing came from annexations, not new development.



¹ Kirkland had 44 percent; Redmond 41 percent, Issaquah 45 percent, and Seattle 49 percent.

The following chart shows how the age of the housing stock in Bellevue compares to other jurisdictions.



As indicated, approximately 17 percent of Bellevue's total housing stock was constructed between 1990 and 2000. This is a lower percentage than the region as a whole and most other comparison cities other than Seattle. In the balance of the Eastside as a whole over 20 percent of total housing stock was constructed in the 1990s.

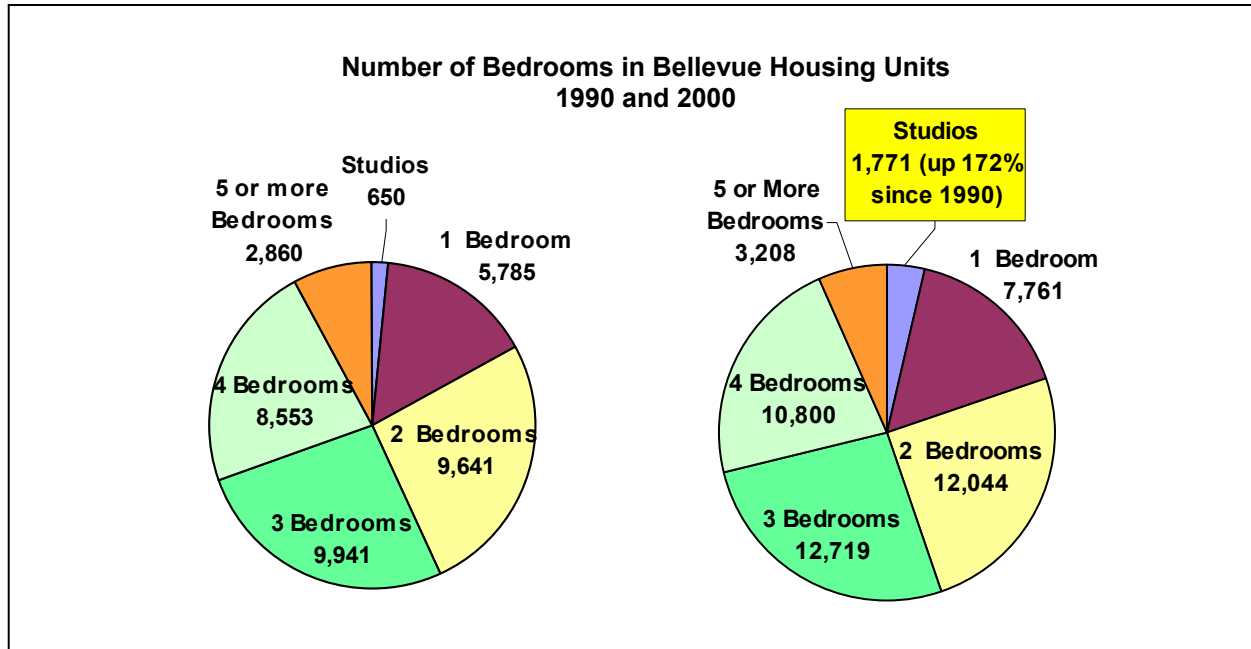
Housing Stock Characteristics in Bellevue

In Bellevue the average number of rooms per housing unit is decreasing, a result of the types of housing being built. For example more townhouses, condominiums, and apartments, all of which have fewer rooms per unit, were constructed in the 1990s. The median number of rooms in all Bellevue housing units was 5.7 in 2000, which was a decrease from 6.4 rooms in 1990.

During the last decade, there has been a shift towards smaller rental units, and more studios and one-bedroom units, as shown in the next chart.

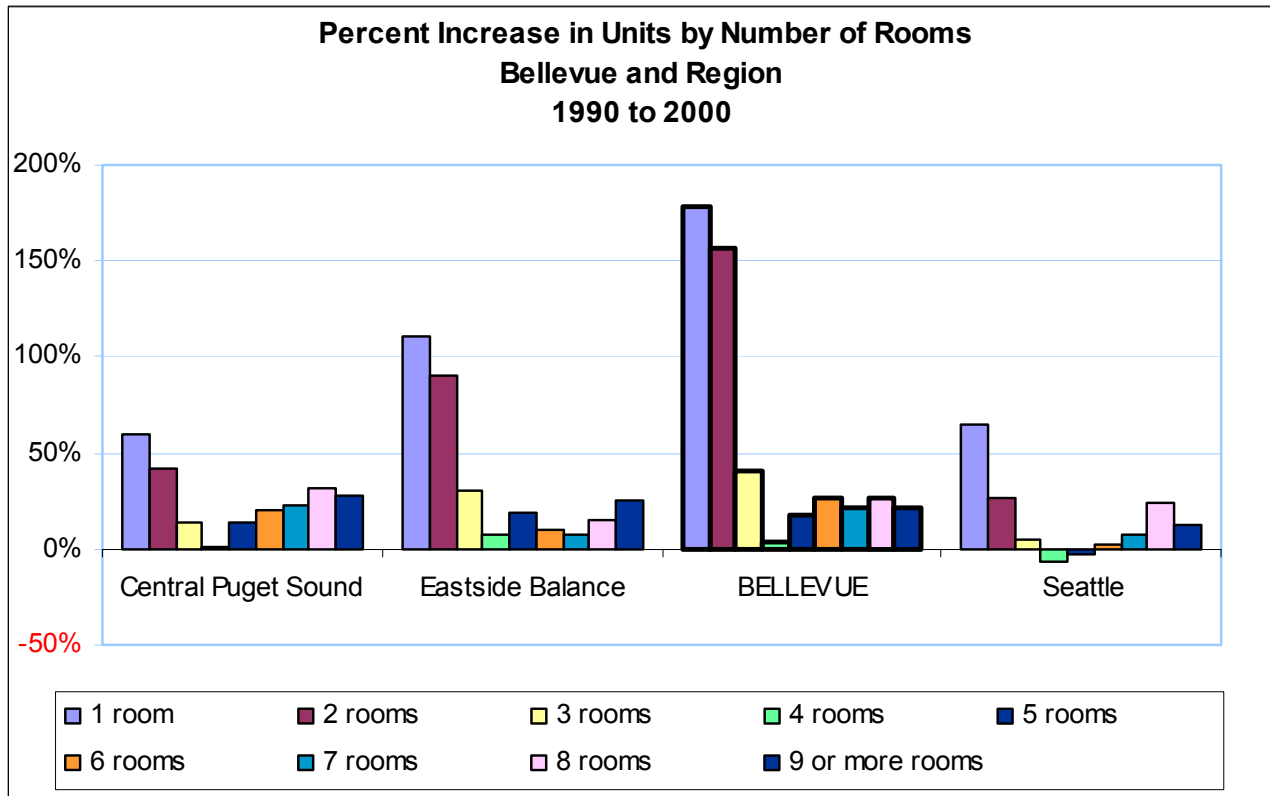
In 1990 only 4 percent of all renter occupied units were studios (no bedroom units), and 64 percent were two or more bedroom units. By 2000, 9 percent of all rental units were studios, and 57 percent had two or more bedrooms. Of the 2,742 rental units that were added to Bellevue's housing stock between 1990 and 2000, a total of 978, or 36 percent, were studios. While there was an increase in housing units in all

bedroom categories, the types of housing with the smallest percentage increase between 1990 and 2000 were 4 and 5 bedroom units. This trend correlates with smaller household sizes, as discussed in the Households chapter.



Housing Stock Characteristics - Regional and National Comparisons

The following chart shows the growth in housing by number of rooms for Bellevue, the region as a whole, the balance of the Eastside, and Seattle.



As discussed in the previous section, while there has been growth in types of housing across the board in terms of size and number of rooms, the greatest percentage increase has been in smaller units. This is true not only in Bellevue but also throughout the Eastside and the region.

KEY FINDINGS

Structural Characteristics

- In Bellevue, single-unit attached (townhouses) dwellings, 20-or-more unit multifamily structures, and studios were the types of housing with the most rapid rates of increase in the 1990s. Related to this trend, the median number of rooms for Bellevue dwelling units decreased from 6.4 rooms in 1990 to 5.7 rooms in 2000.
- Approximately 17 percent of Bellevue's total housing stock was constructed in the 1990s. While this represents significant growth in the city's housing supply, this is a lower percentage than the region as a whole and adjacent jurisdictions.

Housing Values and Costs

Housing affordability is consistently listed as one of the most important issues facing the region today. As with many areas throughout the country, the economic boom of the late 1990s led to a robust housing market. This market has continued to be strong even as many other sectors of the economy have slipped into recession since 2000. Bellevue, with its abundant views, waters, parks, and job base, has long been a desirable and thus relatively expensive place to live. Census data from 2000 shows that this has not changed, although Bellevue's housing prices are rising somewhat more slowly than some other cities in the region, notably Seattle.

Housing Values² and Costs³ for Bellevue

The City of Bellevue contains some fairly expensive homes. Median housing prices rose 54 percent between 1990 and 2000, from \$192,800 to \$299,400. When adjusted by inflation to reflect Year 2000 dollars, median housing values rose by 9 percentage points above the inflation rate between 1990 and 2000. As discussed in the Economic chapter, this contrasts with trends for median incomes, which rose at less than the rate of inflation between 1989 and 1999.

In terms of costs to the owner for owner-occupied housing, the median monthly payment for owner occupied units with a mortgage in 2000 was \$1,744. Concurrent with an increase in housing values, there was also a significant increase in owner costs since 1990, even when adjusting for inflation. The adjusted median monthly owner costs in 1990 was \$1,420, a 23 percent increase in real dollars.

With regard to rental housing, median rents rose by \$306 from \$610 to \$916 per month between 1990 and 2000. When adjusted for inflation between 1990 and 2000, this reflects a 6 percent increase in real dollars. As shown in the table below, there was a wide variation of rents for Bellevue's housing stock in 2000.

As noted in the table, approximately 5 percent of Bellevue rental units in 2000 rented for less than \$500 per month, while over 38 percent rented at over \$1,000 per month. Two bedroom units were the most common type of rental unit; the vast majority (86 percent) of these units rented at over \$750 per month.

Median Monthly Rental Payment in Bellevue 2000		
Rent Payment Category	Total	Percent
Total Rental Units	17,247	100.0
Total paying less than \$500 per month	970	5.6
Total paying \$500 - \$749 per month	3,405	19.7
Total paying \$750 - \$999 per month	6,311	36.6
Total paying more than \$1,000 per month	6,561	38.1

² The census bureau tabulates housing values for units that are owner-occupied, one-family, attached and detached houses on less than 10 acres without a business or medical office on the property.

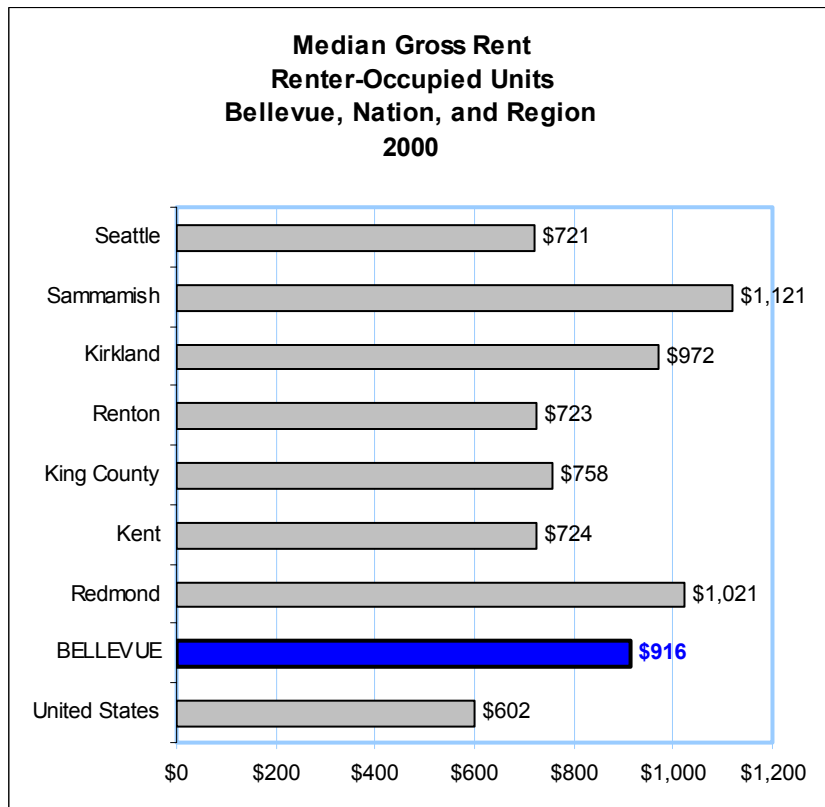
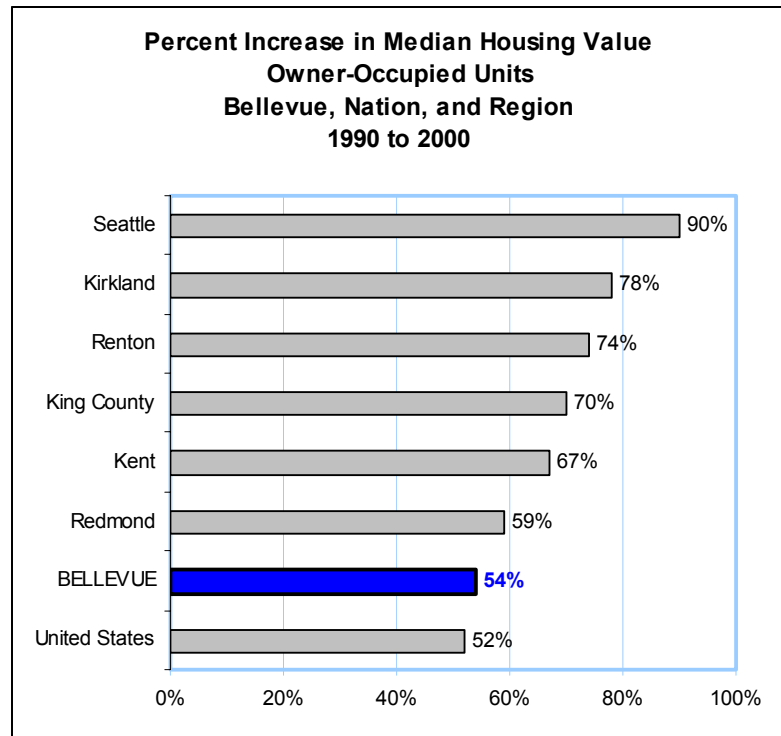
³ Selected monthly owner costs are the sum of payments for mortgages, deeds of trust, contracts to purchase, or similar debts on the property (including payments for the first mortgage, second mortgage, home equity loans, and other junior mortgages); real estate taxes; fire, hazard, and flood insurance on the property; utilities and fuels. It also includes where appropriate, the monthly condominium fees or mobile home costs.

Housing Values and Costs - Regional and National Comparisons

Bellevue's median housing value was \$299,400 in 2000, which was \$61,700 more than King County as a whole. King County's median housing value was the highest of any county in the state, and the 43rd highest median value in the nation. In 2000, about 90 percent of all houses in Bellevue were priced above the Puget Sound Region's median of \$195,000. The increase in median housing values for Bellevue and other jurisdictions are shown in the next chart (these percentages do not reflect inflation).

As indicated in the adjacent chart, Bellevue's increase in median value was slower during the 1990s than many other cities. This was due in part to already expensive Bellevue housing prices in 1990. The gap in home values has also narrowed considerably between King County as a whole and Bellevue in the last decade. In 1990 Bellevue's median home price was 39 percent higher than that of the county; in 2000, that gap had shrunk to 26 percent. Bellevue's 2000 median housing value of \$299,400 places it 11th on the list of highest housing prices of cities and census designated places with over 1,000 housing units in the Central Puget Sound region. It was by far the largest city in the top 20.

While home values generally did not go up as fast in Bellevue as other jurisdictions, monthly owner costs went up slightly faster than the countywide average. When adjusted for inflation, Bellevue's median monthly owner costs rose by \$324 or 23 percent. King County owner costs rose by 22 percent. Seattle and Kirkland had among the highest increases in owner costs in real dollars, both jumping by 29 percent. With regard to rents, as mentioned, in 2000 Bellevue's median gross rent



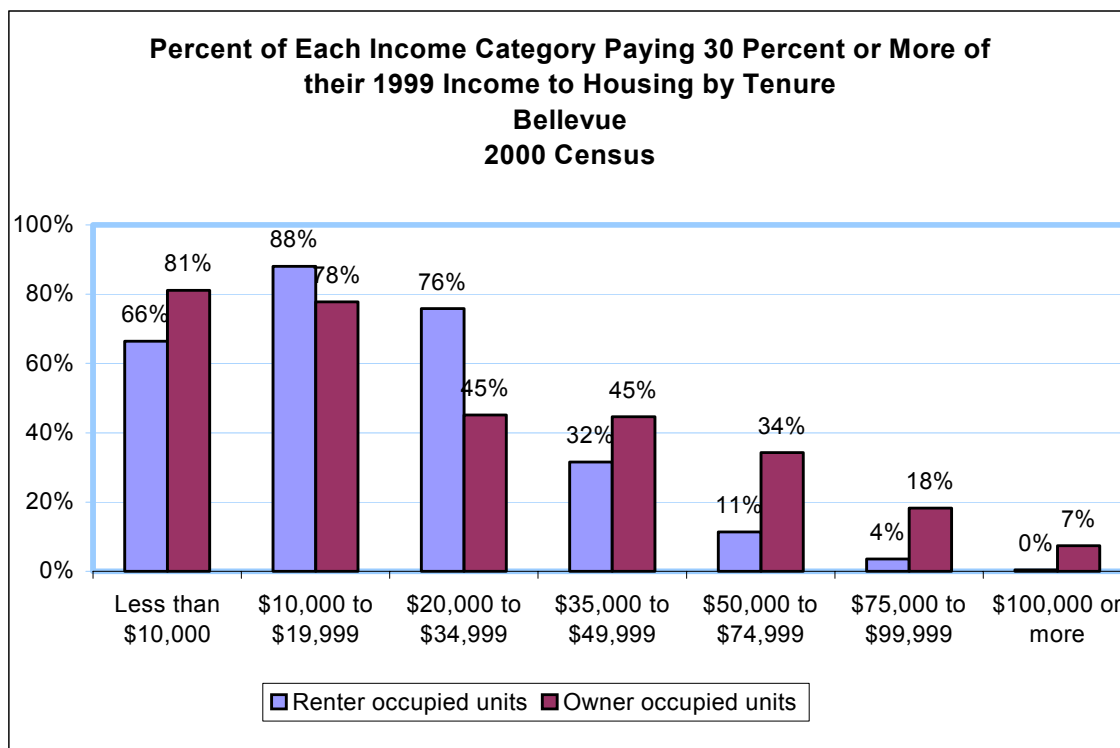
was \$916. As illustrated in the previous chart, this was almost \$150 more than the countywide median, and almost \$200 more than Seattle's median rent. Bellevue's 2000 median rent was lower than the adjoining cities of Kirkland, Remond, and Sammamish.

Housing Affordability - Percent of Income to Housing Costs in Bellevue

Measuring the ratio of one's housing costs (whether rent or mortgage payments) to one's income is often the most effective way to gauge housing affordability, as opposed to just looking at median housing values or rents. Generally speaking, paying 30 percent or less of one's income for housing is commonly considered as an acceptable threshold.

In 2000, a significant number of households in Bellevue paid over 30 percent of their income for housing. Almost 40 percent of all renter occupied households paid over 30 percent of their monthly income to gross rent in 2000, while approximately 25 percent of all homeowners did.

As indicated in the following chart, there was wide variation in housing to income ratios in Bellevue, based on level of household income.



Not surprisingly, there is a very significant correlation between income level and paying too much for housing. For example, a very high percentage of households with incomes below \$35,000 per year in 1999 paid 30 percent or more of their income for housing. The percentage of households paying 30 percent or more of their income for housing went down dramatically in higher income categories. Interestingly, as household income increased homeowners were more likely to be paying 30 percent or more of their income for housing than were renters. The most likely age group to be paying over 30 percent of their income to

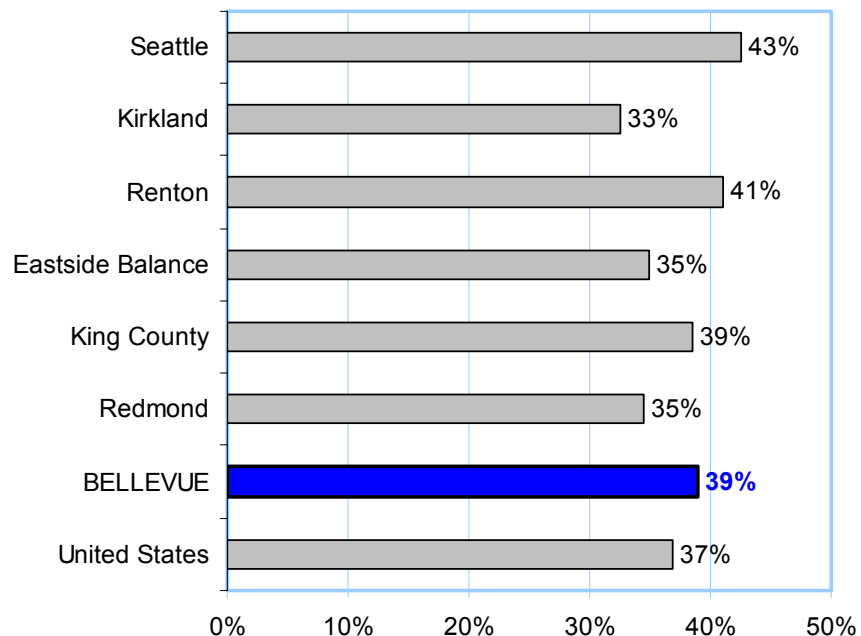
rent was seniors, especially those over 75 years old. The reverse is true for owner occupied units, with younger age groups being somewhat more likely to be paying 30 percent or more of their income for housing. While a fairly high percentage of Bellevue households paid 30 percent or more of their income for rent in 2000, the percentage actually decreased from 1990 levels.

Housing Affordability - Regional and National Comparisons

As indicated in the adjacent chart, a high percentage of residents countywide paid more than 30 percent of their income in rent, not just in Bellevue. In Seattle and Renton, over 40 percent of households paid over 30 percent of their income for housing. This indicates that housing affordability continues to be an issue not just for Bellevue but for the county and region as a whole.

With regard to homeowners, 25 percent of Bellevue homeowners paid over 30 percent of their income for housing costs in 2000. This was actually a lower percentage than the countywide total of 27 percent.

**Percent of Households Paying 30 Percent or More of their 1999 Income in Rent
Bellevue, Nation, and Region
2000 Census**



KEY FINDINGS

Housing Values and Costs

- Housing prices for both owners and renters rose at a higher rate than inflation between 1990 and 2000. However, Bellevue housing values rose at a lower rate than the countywide average during that same time period.
- Approximately 39 percent of Bellevue renters and 25 percent of Bellevue homeowners paid more than 30 percent of their income for housing in 2000. These numbers are generally consistent with percentages countywide.

Potential Implications of Housing Characteristics for Bellevue

People moved into Bellevue in the 1990s both from within the city and the county and from outside of the region and the United States. Strong employment growth in Bellevue, along with other amenities such as schools and parks are likely contributing factors. Projections show continued strong employment growth in the city in the future, which will likely continue this trend.

There appears to be a growing disparity between growth of incomes and housing prices in Bellevue. It is interesting to note that although median rents are higher in Kirkland and Redmond than they are in Bellevue, a higher percentage of Bellevue renters pay more than 30 percent of their income in rent than in the other 2 cities. This speaks to more of a disparity of incomes in Bellevue than in other eastside cities (see chapter on Economic characteristics).

As Bellevue's labor force continues to grow, housing affordability will continue to be an important issue, in that it will become increasingly difficult for people who work in Bellevue (particularly those in retail and other sectors that do not pay as well) to live in the community.

Bellevue's housing stock appears to be changing in order to accommodate the new types of households that are emerging in the city (for example, more 1-person households). With a large proportion of the city's future residential growth expected to occur in the downtown area, the growth in studios and other smaller units is expected to continue.